

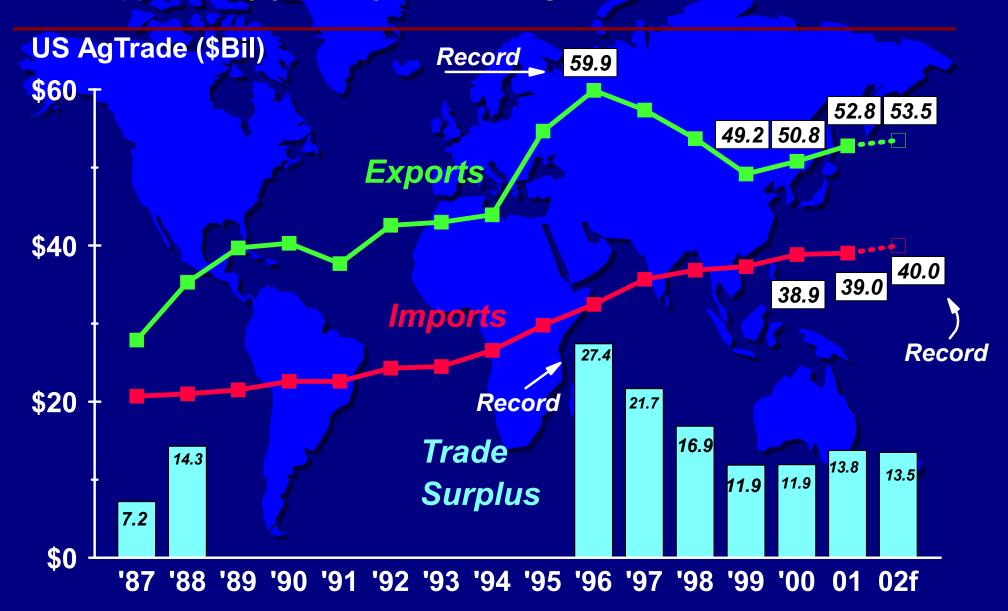
Quarterly Export Forecasts for Agricultural, Fishery & Forest Products

USDA's "Outlook for US Agricultural Trade" was released on May 31, 2002

CMP/FAS/USDA

U.S. Agricultural Trade

Fiscal 2002 AgExports projected to reach \$53.5 billion & the surplus is expected to total \$13.5 billion; export recovery expected to continue supported by year-to-year volume gains for some commodities.



Summary of Major Changes in Fiscal 2002 Export Forecast Since February

Unit = \$ Bils	Feb FY'02 Forecast	May FY'02 Forecast	Chg	Ma in R e a s o n
Wheat/Flour	3.6	3.4	-0.2	(-) vol & price competition
R ic e	0.7	0.7	0.0	
C o rn	4.9	4.6	-0.3	(-) vol & price competition
Feeds	2.6	2.6	0.0	
Soybeans	5.1	5.1	0.0	
S o ym e a 1	1.3	1.3	0.0	
Soybean Oil	0.4	0.4	0.0	
Beef & Pork	4.8	4.8	0.0	
Hides & Skins	2.1	1.9	-0.2	(-) price - U.S. supply
Bro ile r Me a t	NA	1.6	NA	(-) vol - sales to Russia/Asia
Dairy Prods	1.1	1.1	0.0	
Cotton	2.2	2.3	0.1	
Hort Prods	11.3	11.2	-0.1	
F is he ry Prods	3.1	3.1	0.0	
Wood Prods	5.3	4.8	-0.5	(-) vol - declines across many products

Note of major markets....

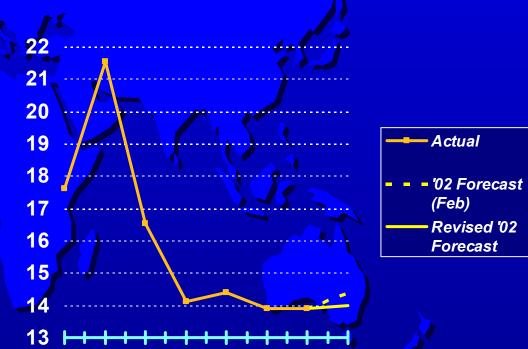
Canada is set to become America's top market for agricultural exports in 2002; upsetting top-ranked Japan for the first time ever, and surpassing the European Union by \$2 billion!

Export Outlook for Grain & Feed Revised Forecast for FY 2002: \$400 Million to \$14.0 Billion

Revised FY 2002 Forecast Key Downside Developments

- Increased competition from the Black Sea region lowers U.S. wheat export forecast 500,000 MT
- Increased competition from China (despite some offset from increased demand from S Korea) lowers U.S. corn export forecast 1.0 MMT
- Wheat and corn export unit prices slightly lower as well

U.S. Grain & Feed Exports (\$Bil)



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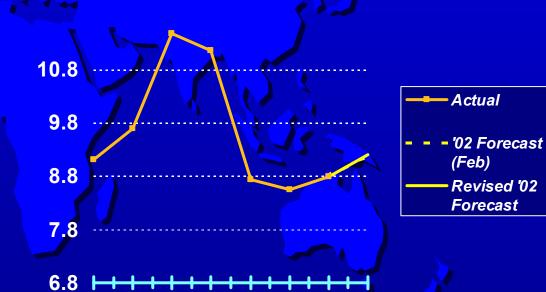
Export Outlook for Oilseeds & Products Revised Forecast for FY 2002: Unchanged at \$9.2 Billion

Revised FY 2002 Forecast Key Downside Developments

- Large SAmerican soybean supply reduces US export vol Key Upside Developments

- Slightly higher export unit values for soybeans

US. Oilseed & Prod Exports (\$Bil)



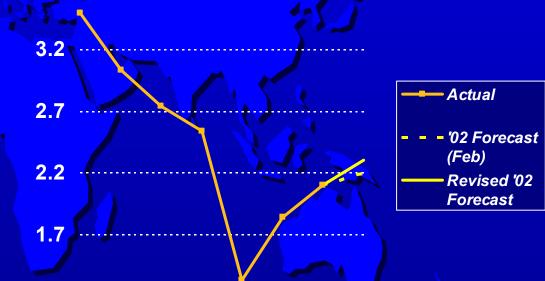
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Export Outlook for Cotton & LintersRevised Forecast for FY 2002: \$100 Million to \$2.3 Billion

Revised FY 2002 Forecast Key Developments

- Strong export volume offsets weaker prices

U.S. Cotton Exports (\$Bil)



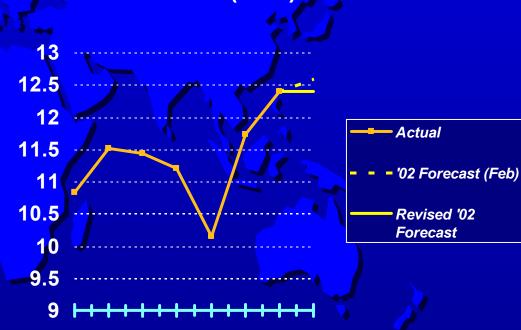
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Export Outlook for DL&P Products Revised Forecast for FY 2002: \$300 Million to \$12.3 Billion

Revised FY 2002 Forecast Key Downside Developments

- Hides & skins lowered to \$1.9 billion due to weaker prices
- Russian import restrictions slow US poultry meat shipments
- Decline in the higher-valued beef cuts to Japan



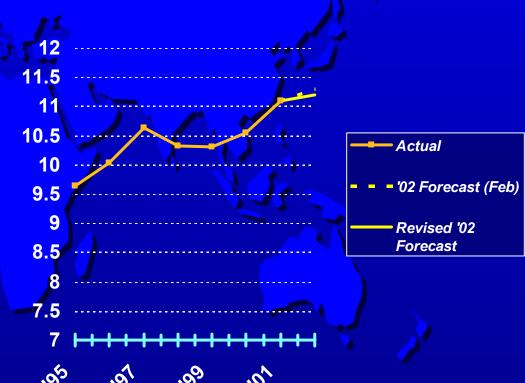


Export Outlook for Horticultural Products Revised Forecast for FY 2002: \$100 Million to \$11.2 Billion

Revised FY 2002 Forecast Key Developments

- Tree nuts are raised due to record crop size & strong demand
- Fruits are lowered as apple sales encounter difficulties in Mexico
- Vegetables are lowered due to weak sales of tomatoes, onions, and frozen vegetables

U.S. Hort. Product Exports (\$Bil)



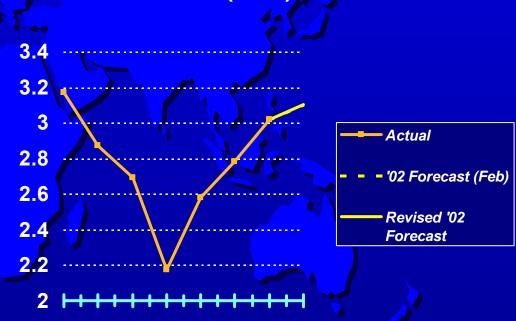


Export Outlook for Fishery ProductsRevised Forecast for FY 2002: Steady at \$3.1 Billion

Revised FY 2002 Forecast Key Upside Developments

- EU demand for fishery products continues to rise bolstered by European production constraints





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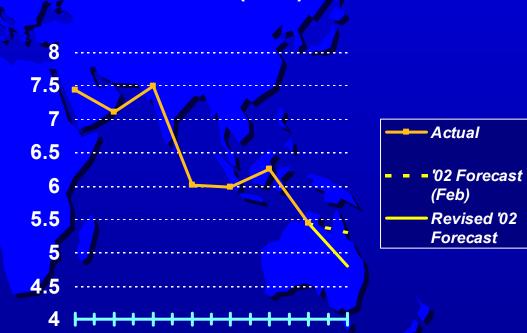


Export Outlook for Solid Wood Products Revised Forecast for FY 2002: \$500 Million to \$4.8 Billion

Revised FY 2002 Forecast Key Downside Developments

- Douglas-fir log exports to Japan decrease \$150 million

U.S. Forest Product Exports (\$Bil)



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